



***HOUSE CIVIL JUSTICE COMMITTEE  
PROPONENT TESTIMONY ON HB 50  
Tuesday, February 26, 2019***

Chairman Hambley, Vice Chair Patton, Ranking Member Brown and members of the House Civil Justice Committee, thank you for the opportunity to testify in support of House Bill 50 today.

My name is Laura McBride and I am a Deputy General Counsel for The MetroHealth System and I have represented MetroHealth for over 4 years. Before that I was in private practice and represented public and regulated entities. I also previously served as an analyst for the Office of Inspector General for the U.S. Department of Health and Human Services, with a particular focus on federal oversight of clinical research. In the course of my work I have become familiar with the research and development practices at academic and other institutions – and, of course, Ohio public hospitals.

Like all Ohio public bodies, MetroHealth is a creature of statute. As such, MetroHealth has only the authority and powers as provided by law. For MetroHealth, as a county hospital, the relevant laws are found primarily in Chapter 339 of the Ohio Revised Code. There are no provisions in Chapter 339 or elsewhere that specifically deal with questions of intellectual property ownership and development.

House Bill 50 provides two important authorities for charter county hospitals. The first is clear statutory authority with respect to a charter county hospital's ability to protect and receive the benefits of intellectual property discovered or developed by the hospital's employees. The second is the authority and flexibility to develop and commercialize any such intellectual property. Developments in health care, including reimbursement challenges and increased competition on all fronts, have made it abundantly clear to us that we need well-defined statutory protections and guidance in terms of these matters.

Innovation is critical in the health care industry – and perhaps more so than other industries. The health care system is under significant pressure to adapt and develop new approaches to the provision of cost-effective health care services. Competition has increased and the ability to support innovation is very important for recruiting and retaining the professionals - doctors, scientists, nurses, and others - who are looking to lead such innovation. Charter county hospitals such as MetroHealth are well-positioned to add value and contribute to innovation in health care. But the statutes do not currently recognize that potential contribution.

HB 50 authorizes a charter county hospital, through its board of trustees, to establish appropriate rules and policies for when and under what terms their employee-inventors may receive some of the benefit resulting from their inventions. It also allows the



employee-inventors to maintain a meaningful role in the development of the technology for which they are likely the relevant expert.

HB 50 will place charter county hospitals on equal footing with essentially every other hospital in the state – private and public. And HB 50 will allow charter county hospitals to serve as good stewards of their public resources.

On behalf of MetroHealth, I thank you for this opportunity to share our story and would be glad to answer any questions at this time.